

State of California
BOARD OF EQUALIZATION

MOTOR VEHICLE FUEL TAX REGULATIONS

Regulation 1137. EXEMPT SALES OF JET FUEL.

Reference: Sections 7385 to 7398, Revenue and Taxation Code.

(a) IN GENERAL. Sales of aircraft jet fuel for propulsion of aircraft are subject to tax except sales, to the following:

(1) A common carrier by air engaged in the business of transporting persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the authority of the laws of this state, of the United States or of any foreign government.

(2) A person engaged in the business of constructing or reconstructing by manufacture or assembly of completed aircraft or modifying, overhauling, repairing, maintaining or servicing of aircraft.

(3) The armed forces of the United States.

(b) EVIDENCE TO SUPPORT EXEMPTION.

(1) Exempt sales to common carriers and aircraft manufacturers must be supported by an exemption certificate as prescribed below.

Name of Aircraft Jet Fuel Purchaser

Address of Aircraft Jet Fuel Purchaser

This is to certify that all aircraft jet fuel purchased from _____

is exempt from aircraft jet fuel tax as a sale to:

Check one

- (a) A common carrier by air engaged in the business of transporting persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the authority of the laws of this state, of the United States or of any foreign Government. Certificate of public convenience and necessity number.
- (b) A person engaged in the business of constructing or reconstructing by manufacture or assembly of completed aircraft or modifying, overhauling, repairing, maintaining or servicing of aircraft.

This certificate is valid until revoked in writing.

Purchaser _____

By _____

Date _____

(2) Exempt sales to the armed forces must be supported by a government purchase order or other evidence of sale to the armed forces of the United States.

(3) It is necessary to obtain only one certificate to cover all sales. The certificate is valid until revoked in writing.

Regulation 1137. (Continued)

(c) LIABILITY OF PERSON GIVING CERTIFICATE. Any person who certifies in writing to a jet fuel dealer that the sale or use of the aircraft jet fuel purchased by him is not subject to the jet fuel tax and who uses such fuel as an aircraft jet fuel user is liable for the tax with respect to such fuel at the time of such use. Such person shall report and pay the tax to the board as though he were an aircraft jet fuel dealer who made a taxable sale of the fuel at the time of the use.

History: Adopted November 5, 1969, effective November 10, 1969.

Amended January 8, 1970.

Amended December 8, 1970, effective January 15, 1970.

Amended June 5, 2002, change without regulatory effect.